

# Instructions for Preparing Budget Reduction Data Submissions



Amendments to the 2002-2004 biennial budget

*For Institutions of Higher Education*



Virginia Department of Planning and Budget  
November 2002

# Instructions for Budget Reduction Data Submissions

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## Amendments to the 2002-2004 Biennial Budget

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These instructions describe how to develop data submissions that amend the 2002-2004 biennial budget to reflect your agency's across-the-board budget reductions announced by Governor Warner on October 15, 2002. The purpose of the submission is to array the budget reductions against your agency's programs and subprograms so the reductions will be shown properly in the Budget Bill the Governor will submit in December to amend the 2002-2004 biennial budget.

Data submissions to reflect these reductions must be submitted to the Department of Planning and Budget (DPB) by close of business on Wednesday, November 20, 2002.

No narrative justification or tabular breakout of data is necessary for this submission. A data submission made electronically through WebBEARS, the web-based system that provides a more user-friendly interface to On-Line PROBUD, will provide sufficient information.

***Note: Your institution's revised budget reduction plan is due to DPB on Monday, November 18, and these plans will be reviewed and approved by the Secretary. Proceed with your WebBEARS submission as required in these instructions. You may be asked to make changes based on the Secretary's review of your plan.***

## Overview of submission

The data submission due to DPB by close of business on Wednesday, November 20, 2002 consists of one amendment to reflect the across-the-board reductions announced by Governor Warner on October 15, 2002. All of your agency's reduction strategies can be rolled up into one amendment. (Exception: Any reduction strategy that involves additional nongeneral fund revenue, such as a fee increase, must be submitted as a separate amendment.)

## Figuring personal services amounts

If your budget reduction amendments affect positions, be sure you calculate fringe benefit savings for any reduction in vacant positions or any layoffs using the rates on the following table.

Note that you will also need to reflect Workforce Transition Act (WTA) costs for any layoffs. You may find it helpful to download the WTA calculator contained on DPB's website with these instructions. When showing WTA costs, use the new 117X subobject series to record these amounts. [For more information about these WTA-related subobjects, go to the DPB website's "Documents and Forms" page ([www.dpb.state.va.us/forms/forms.cfm](http://www.dpb.state.va.us/forms/forms.cfm)) and open the

file under Expenditure Structure called “Special Notice for Workforce Transition Act Termination Costs (1170).”]

Please remember to keep lag pay in mind when calculating savings amounts for positions. Specifically, due to lag pay, the first pay period in FY 2004 will use FY 2003 rates. The listed rates for FY 2004 will therefore be effective for only 23 pay periods during FY 2004.

Also note that the rates shown on the table are expressed as a percentage of pay, with the exception of employer health insurance premiums and the deferred compensation match, which are expressed in absolute terms.

<b>Subobject</b>	<b>Factor</b>	<b>2003 Costs</b>	<b>2004 Costs</b>
<b>1111</b>	<b>VRS contributions</b> State employees VaLORS State Police Judges	5.00 percent 17.00 percent 16.05 percent 34.00 percent	8.77 percent 18.95 percent 17.79 percent 37.03 percent
<b>1112</b>	<b>Social Security</b>	6.20 percent <b>capped</b> at \$84,900	
<b>1112</b>	<b>Medicare</b>	1.45 percent	
<b>1114</b>	<b>Group life insurance premium</b>	Premium holiday	
<b>1115</b>	<b>Health insurance premiums</b> <b>Key advantage</b> Employee only Employee plus one Family Two employee family Cost Alliance HMO	\$3,288 a year \$4,980 a year \$6,684 a year \$7,980 a year \$6,528 a year Varies by product, maximum equal to employer premium for Key Advantage plans	
<b>1116</b>	<b>Retiree Health insurance credit premium</b>	0.89 percent	
<b>1117</b>	<b>Long-term disability insurance</b> State employees State Police VaLORS	1.07 percent 1.42 percent 1.42 percent	
<b>1118</b>	<b>Teachers Insurance and Annuity<sup>1</sup></b>	10.4 percent	
<b>1119</b>	<b>Defined Contribution Plan<sup>2</sup></b>	10.4 percent	
<b>1138</b>	<b>Deferred Compensation Match Payments</b>	One-half of an employee’s contribution per pay period, per participant up to a maximum of \$20 per pay or \$480 annually.	

<sup>1</sup>For institutions of higher education: This includes alternative retirement options, such as TIAA-CREF, for those employees as defined in § 51.1-126 of the Code of Virginia.

<sup>2</sup>Used for employees eligible for a defined contribution plan established pursuant to § 51.1-126.5 of the Code of Virginia.

## Submitting the data

**Submit your data submission using Web BEARS, the new web-based budget submission system.** WebBEARS can be reached through DPB's web site. (Go to [www.dpb.state.va.us](http://www.dpb.state.va.us) and click on the WebBEARS button in the blue column at the left of the home page.) See the "Tips on Using WebBEARS" section of these instructions for details on obtaining a log-on ID.

Follow the specific guidelines below for making the WebBEARS submission to spread the across-the-board reductions announced on October 15, 2002:

You will need to enter for **both years'** negative amounts (dollars and positions, general fund and nongeneral fund) in the programs and subprograms where these reductions will occur. You may also have some positive amounts to reflect costs (such as benefits under the Workforce Transition Act). **The net amounts you enter must equal the total net amounts (general fund and nongeneral fund dollars and positions) shown for your agency in the [Budget Reduction Plans Summary Table, Oct. 15](#) on the home page of the DPB website.**

Remember that you submit only one amendment (number 21) to roll up all the strategies in your budget reduction plan. The only exception is if you have strategies that call for additional nongeneral fund revenue. Submit a single separate amendment (number 25) for any additional nongeneral fund revenue.

If your agency's budget reduction strategies contain any special situations such as reduction of nongeneral fund cash for which there is no appropriation, contact your DPB budget analyst about how to handle.

**Use incremental amounts.** Use incremental amounts over the 2002 Appropriation Act. Do *not* use replacement amounts.

**Personal services.** For all personal services, array each amendment by subobject detail. (You can download the revised Expenditure Structure, dated October 17, 2002, from DPB's web site at [www.dpb.state.va.us](http://www.dpb.state.va.us). Click on the "Documents and Forms" link in the blue column at left of the home page, then type in "Expenditure" in the Search phrase box.)

Show both reductions and any costs (such as benefits under the Workforce Transition Act) associated with the reductions. If the reduction amendment includes any layoffs that require payments under the Workforce Transition Act (WTA), use the appropriate subobjects for those costs (the new 117X subobject series).

***Do not use any other convenience codes for personal services.***

Remember to carry out position reductions to two decimal places.

**Nonpersonal services.** For all nonpersonal services, use only one single convenience object of expenditure: 6200. This is a special new major object set up for recording these across-the-board reductions. Do *not* use individual subobjects of expenditure or the convenience objects that have been used for nonpersonal services in the past for budget submission. Show a net number for all nonpersonal services, inclusive of any costs.

**Numbering the amendments.** For most agencies, you will have only one amendment to array the reductions announced by the Governor on Oct. 15, 2002. ***You must use number 21 for this amendment.*** Should the across-the-board reductions contain new fees or other additional nongeneral fund revenue, submit a separate amendment to show the additional nongeneral fund revenue. ***You must use number 25 for this amendment.*** (Note: If your agency has several strategies involving nongeneral fund revenue, roll them all up into one amendment.)

**Fund/fund detail information.** Include fund information at the program level by fund group. If your agency normally uses fund detail information, include this level of detail in your submission. (Note: This is very important since these changes will be incremented against the fund/fund detail data contained in your agency's budget in the 2002 Appropriation Act. Do ***not*** use any fund/fund detail for your agency that is not contained in the 2002 Appropriation Act. If you should enter a fund/fund detail record for your agency that is not in the 2002 Appropriation Act, the submission will create a negative fund amount which your agency will have to correct.)

**Balancing the submission.** Before submission, make sure that -- for each amendment-- the total dollars and positions for fund/fund detail at the program level balance to the dollars and FTEs at the subprogram level. If the amendment contains multiple programs, the same rule applies: Each program must balance for dollars and FTEs at fund/fund detail and at the subprogram level.

## Tips on using WebBEARS

- Most agencies have already obtained a login ID for all staff who will be using the WebBEARS system. If you have not already obtained an ID, you must first complete an "access request form" to gain a logon ID and password before using the system for the first time. Simply go to the DPB web site ([www.dpb.state.va.us](http://www.dpb.state.va.us)), click on the State Agency Services button, then click on WebBEARS, click on "access request form" and then fill in the required information. Finally, click the "submit" button.
- Remember to use the drop-down menu on the main screen of WebBEARS to select "2003 Reductions" when you enter your data. ***Be sure to code all data for these amendments as Level 2.***
- WebBEARS has friendly "Help" screens that guide you through the system. If you have technical questions, please contact your budget analyst. If your budget analyst is unavailable, you may call:  

Martha Twigg	804-786-1429
VanNessa Davis	804-786-2541
- WebBEARS automatically sends DPB an email when you complete your data submission by clicking on the final "Complete submission" button.